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Marketing Margins for Poultry and Eggs in the United States and Selected Cities

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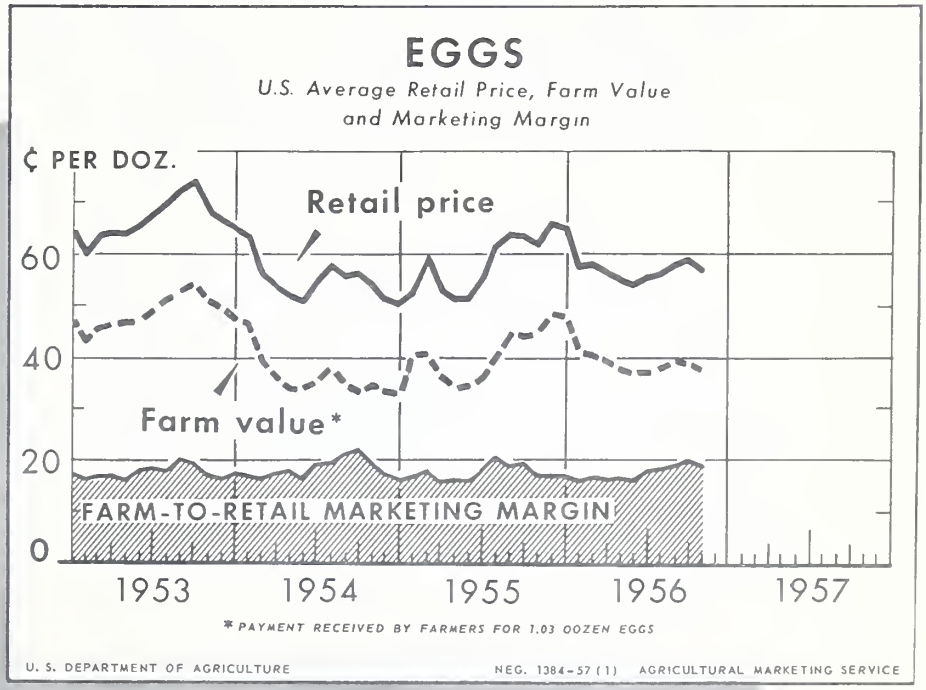

UNITED STATES DEPARTMENT OF AGRICULTURE
Agricultural Marketing Service
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AMS-170

MARKETING MARGINS FOR POULTRY AND EGGS IN THE UNITED STATES AND SELECTED CITIES 1/

Farm-retail marketing margins for eggs have declined about 7 percent since 1949, while margins on frying chickens have increased about 13 percent in the same period. Eggs are the only major agricultural commodity for which margins have decreased in this 8-year period. Improvements in marketing methods and changes in location of the industry may be the important factors underlying the nearly continuous decline in egg margins. But margins on frying chickens have increased in spite of marked improvements in marketing and processing techniques mainly because of higher labor costs and other costs. Part of this increase is due to more services provided by marketing firms.

Changes in margins from month-to-month within single years generally have exceeded year-to-year changes. Short-time lags in price adjustments and seasonal factors account for most of these monthly variations. Short-term price changes are determined largely by variations in market supplies. This article describes recent changes in United States average prices and marketing margins for frying chickens and eggs, and compares prices and margins for these products and turkeys in several large cities.

Farm-retail marketing margins on eggs were lower in 1956 than in any year since 1949 while margins on frying chickens reached an 8-year high. Both trends have been gradual and the changes in margins in cents per dozen and per pound have not been large. The principal conditions underlying the trend of declining egg marketing margins appear to be improvements in handling and distributing methods, shortening of marketing channels and shifts in egg production into areas nearer large cities. On the other hand, it appears that the marked improvements in processing and distributing methods made by poultry slaughterers and other firms have not been sufficient to offset higher labor rates and other costs, including costs of additional marketing services provided by the industry.

Retail egg prices and farm values averaged slightly lower in 1956 than in 1955 (table 7). The farm-retail margin on eggs also was lower so that the farm share of the retail price remained unchanged at 69 percent.

1/ Prepared by Leo R. Gray, Agricultural Economist, Market. Res. Div., Agr. Market. Serv.

Table 7.- Frying chickens and eggs: Retail price, farm value, marketing margin, and farmer's share of the retail price, United States urban areas, 1949-56

Year	Chickens (broilers and fryers)				Eggs			
	Retail price per pound 1/	Farm value 2/	Marketing margin	Farmer's share	Retail price per dozen 1/	Farm value 3/	Marketing margin	Farmer's share
	Cents	Cents	Cents	Percent	Cents	Cents	Cents	Percent
1949 4/	51.6	33.3	18.3	65	65.9	46.8	19.1	71
1950	50.4	32.8	17.6	65	57.1	38.0	19.1	67
1951	52.7	34.1	18.6	65	69.7	49.4	20.3	71
1952	52.9	34.8	18.1	66	63.6	43.2	20.4	68
1953	53.0	33.2	19.8	63	66.8	49.0	17.8	73
1954	48.8	28.8	20.0	59	56.2	37.5	18.7	67
1955	51.9	32.2	19.7	62	58.1	40.1	18.0	69
1956 5/	46.5	25.8	20.7	55	57.6	39.8	17.8	69

1/ Estimated average prices of all frying chickens or eggs sold to consumers in retail stores in urban communities based on prices collected by the Bur. of Labor Statistics.

2/ Payment to producers for live weight quantity equivalent to 1 pound retail weight.

3/ Average payments received by farmers for 1.03 dozen eggs.

4/ Data for frying chickens are averages for last 9 months of year. Data for first 3 months are not available.

5/ Preliminary.

Changes in egg marketing margins and prices from month to month generally have greatly exceeded year-to-year changes. Both retail and farm prices of eggs in the United States have fluctuated considerably from month to month primarily as the result of changes in production rates and market supplies (table 8). Marketing margins in comparison have remained relatively steady except for changes due primarily to seasonal factors. Short-time lags in price adjustments may also account for some of these monthly variations in margins. Seasonally, margins on eggs tend to widen in the late summer and early fall. The apparent explanations are: (1) The average quality of eggs marketed by farmers generally declines and costs of maintaining egg quality in marketing channels increase. (2) Total volumes of eggs moving through marketing channels decline so that the fixed charges of marketing firms must be borne by fewer dozens of eggs. And (3) supplies of large eggs decrease in relation to supplies of medium and small eggs. For opposite reasons, margins on eggs tend to decline in the winter and spring, reaching seasonally low values about March, April, or May, when production volumes of eggs usually are high.

Table 8.- Eggs: Retail price per dozen, farm value, marketing margin, and farmer's share of the retail price, United States urban areas, by months, January 1954-November 1956

Year and month	Retail price: 1/	Farm value 2/	Marketing margin	Farmer's share
	Cents	Cents	Cents	Percent
1954				
Jan.	65.1	47.7	17.4	73
Feb.	64.3	47.1	17.2	73
Mar.	56.7	39.9	16.8	70
Apr.	53.8	36.0	17.8	67
May	52.2	34.1	18.1	65
June	50.9	34.0	16.9	67
July	54.6	35.5	19.1	65
Aug.	58.0	38.5	19.5	66
Sept.	56.0	34.8	21.2	62
Oct.	56.1	33.4	22.7	60
Nov.	54.6	34.9	19.7	64
Dec.	51.5	33.7	17.8	65
Average	56.2	37.5	18.7	67
1955				
Jan.	50.1	33.2	16.9	66
Feb.	57.8	40.7	17.1	70
Mar.	59.0	40.9	18.1	69
Apr.	53.3	37.0	16.3	69
May	51.6	34.8	16.8	67
June	51.5	34.8	16.7	68
July	55.0	36.3	18.7	66
Aug.	61.4	40.6	20.8	66
Sept.	64.4	45.1	19.3	70
Oct.	64.1	44.2	19.9	69
Nov.	62.4	44.7	17.7	72
Dec.	66.2	48.5	17.7	73
Average	58.1	40.1	18.0	69
1956				
Jan.	65.5	48.0	17.5	73
Feb.	58.0	41.4	16.6	71
Mar.	58.1	40.8	17.3	70
Apr.	56.5	39.7	16.8	70
May	55.6	38.6	17.0	69
June	54.0	37.4	16.6	69
July	55.9	37.6	18.3	67
Aug.	56.8	38.0	18.8	67
Sept.	58.9	39.8	19.1	68
Oct.	59.5	39.2	20.3	66
Nov.	57.5	38.3	19.2	67

1/ Estimated average prices of eggs sold to consumers in retail stores in urban communities, based on prices collected by the Bur. of Labor Statistics.

2/ Average payment received by farmers for 1.03 dozen eggs.

Both retail and farm prices of frying chickens declined to an 8-year low in 1956, but farm prices declined slightly more than retail prices. As a result, farm-retail margins for frying chickens increased slightly and the farm share of the retail price decreased to 55 percent in 1956 compared with 62 percent in 1955 and 65 percent in 1949.

The Agricultural Marketing Service initiated a marketing margins study in 1955 on a continuous monthly basis for large, medium, and small eggs, frying chickens, and small, medium, and large turkeys. The study includes nine cities: Atlanta, Baltimore, Boston, Chicago, Cleveland, Los Angeles, New York, St. Louis, and San Francisco.

In this study, average retail prices are computed from data collected by the Bureau of Labor Statistics for the first 3 days of the week in which the 15th of the month falls and the last 3 days of the previous week. 2/ Prices to retailers, prices paid by city receivers, and farm values are computed from data supplied by the Dairy and Poultry Market News Branch and private firms for Wednesday of the week including the 8th of each month. Farm prices are obtained for 16 major poultry and egg producing areas.

Complete price series for all four market levels in all nine cities are not now available. The analysis in this preliminary report is limited to marketing margins for: (1) frying chickens in Atlanta, Baltimore, Chicago, Los Angeles, and New York; (2) large eggs in Atlanta, Baltimore, Chicago, Los Angeles, and New York; (3) medium eggs in Atlanta, Chicago, and New York; and (4) small turkeys in Baltimore and New York. Future reports are expected to provide more complete information on margins in all nine cities.

Frying Chickens

Prices of frying chickens declined from July through November 1956 at all market levels in the six cities for which complete data are available (fig. 3). A similar decline occurred from August through December, 1955, but prices averaged higher then. For the 4-month period ended in November 1956, retail prices averaged 7.3 cents per pound lower than in the same months of 1955, but farm prices were down 7.9 cents per pound. As a result, the average farm-retail price margin was 0.6 cent per pound wider in the 1956 period, and the farm share of the retail price fell from 60 to 52 percent. Since July 1955, gross farm-retail margins have fluctuated in the range of 20.8 to 25.0 cents per pound.

Increases in supplies of frying chickens and turkeys probably were the principal causes of declines in prices of these products in 1956. Total slaughter of young chickens in 1956, as reported in the Commercial Poultry Slaughter Report, exceeded 3.8 billion pounds, live basis, and was 28 percent greater than in 1955. Slaughter of turkeys, which totaled nearly 930 million pounds in 1956, was up 25 percent. Although slaughter of fowl did not increase and marketings of ducks and geese fell slightly, total slaughter of all poultry, at more than 5.3 billion pounds, live basis, in 1956 was up 24 percent from the 1955 volume.

2/ See glossary of terms, page 27, for description of what each price level represents.

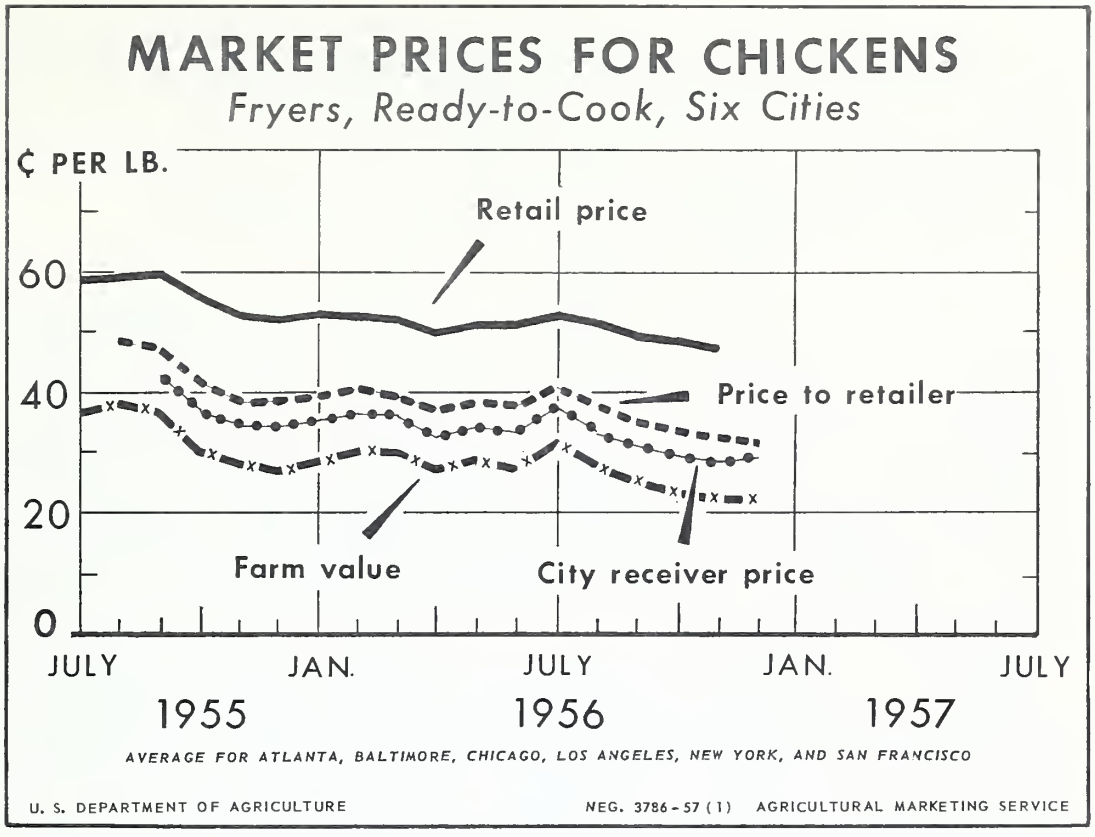

Figure 3

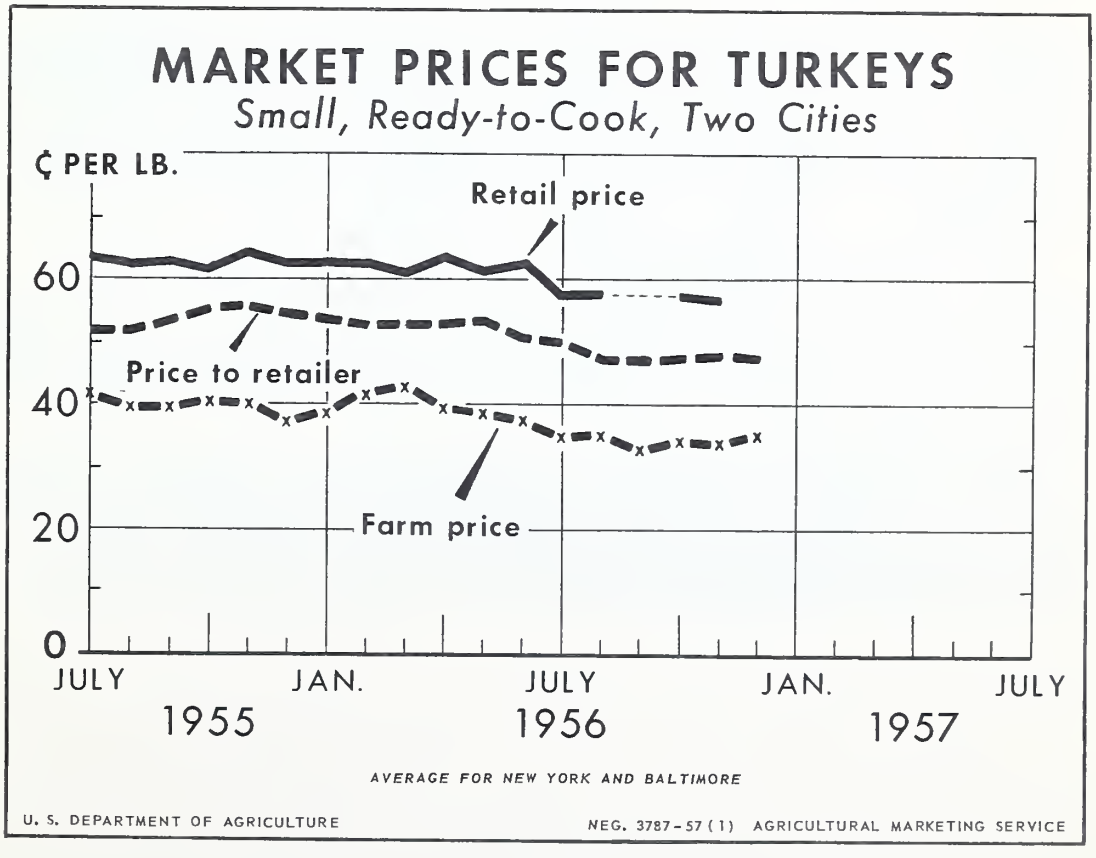

Figure 4

Atlanta had the lowest and San Francisco had the highest average farm-retail price margins on frying chickens among the six cities for the year ended in August 1956 (table 9). The generally lower gross margins on frying chickens in Atlanta and New York appear to be the result of comparatively low margins taken by city distributors and retailers. One factor which may have contributed to the narrower retail margin in New York is that ready-to-cook fryers were handled mostly in the larger supermarkets.

The gross farm-retail margin on fryers sold in the two Pacific Coast cities exceeded farm values. This may be attributed to comparatively high margins of retailers and distributors. Margins of processors supplying San Francisco with frying chickens apparently are about the same as margins taken by processors shipping to other cities. The basic causes of the comparatively high retail and distributor margins in the two cities are not presently known. Differences among markets on margin policies on particular products are a possible partial explanation. Retailers in different areas, for example, in attempting to secure a satisfactory overall margin on all sales, differ in the items selected to carry high, medium, and low margins. Retailers in Los Angeles may handle frying chickens as a high margin item and eggs as a low margin item, while the reverse may be true for retailers in New York.

Retail prices on frying chickens in Los Angeles averaged 10.2 cents per pound less than in San Francisco, but they were still considerably above prices in the other cities. San Francisco retail prices on frying chickens were 24.1 cents per pound more than in Atlanta, which had the lowest average price of the six cities. Retail prices varied more among the six cities than did prices at any of the other three market levels.

City receiver prices were highest in Los Angeles. Farm-to-city receiver margins were lowest for San Francisco and Atlanta. Virtually all fryers sold in these two markets originate in nearby areas. Los Angeles and Chicago, on the other hand, import most of their frying chickens from southern States. Transportation costs probably account for most of the relatively wide farm-to-city receiver price margin in Los Angeles.

The principal differences in gross farm-retail margins for the various cities are in marketing costs after broilers reach the first city receiver. Although these marketing costs consist mostly of labor, they also include costs for property depreciation and maintenance and operation, transportation, selling, overhead, and other miscellaneous expenses as well as profits. 3/

3/ More detailed data pertaining to component costs involved in farm-retail price margins for frying chickens appear in "Marketing Margins for Poultry and Eggs," by Robert M. Conlogue and Frank R. Manson, The Marketing and Transportation Situation, MTS-120, pp. 21-30, Jan. 1956.

Table 9.- Frying chickens and small turkeys (ready-to-cook): Average market prices per pound, marketing margins, and the farm share of the retail price, selected cities, 1955-56 1/

Commodity and city	Farm value	City receiver price 2/	Price to retailers	Retail price
	Cents	Cents	Cents	Cents
Frying chickens				
Atlanta	28.6	32.6	34.6	44.4
Baltimore	29.7	37.0	38.7	50.4
Chicago	28.9	34.6	37.4	47.4
Los Angeles	28.8	37.2	42.0	58.3
New York	29.7	36.7	39.2	46.9
San Francisco	31.7	35.0	46.2	68.5
Average	29.6	35.5	39.7	52.7
Small turkeys				
Baltimore	39.7	---	53.6	63.5
New York	39.7	49.7	52.4	61.4
Average	39.7	---	53.0	62.5

	Farm-to-store margin	Retail margin	Farm-retail margin	Farm share of retail price
				Percent
Frying chickens				
Atlanta	6.0	9.8	15.8	64
Baltimore	9.0	11.7	20.7	59
Chicago	8.5	10.0	18.5	61
Los Angeles	13.2	16.3	29.5	49
New York	9.5	7.7	17.2	63
San Francisco	14.5	22.3	36.8	46
Average	10.1	13.0	23.1	56
Small turkeys				
Baltimore	13.9	9.9	23.8	63
New York	12.7	9.0	21.7	65
Average	13.3	9.5	22.8	64

1/ 12-month period for frying chickens, Sept. 1955 through Aug. 1956, and for small turkeys, July 1955 through June 1956.

2/ City receiver price for Atlanta, Chicago, Los Angeles, and San Francisco represents f.o.b. delivered city prices, for Baltimore and New York wholesale selling prices.

Turkeys

Prices at all market levels for small turkeys sold to consumers in New York and Baltimore were lower from July through October 1956 than for the corresponding period during 1955 (fig. 4). As noted above, the slaughter of all turkeys in 1956 was 25 percent greater than in 1955. According to the Commercial Poultry Slaughter Report, slaughter of fryer-roaster turkeys was up 8 percent, that of heavy breed hens was up 32 percent, and heavy breed toms up 28 percent.

Average farm-retail margins on small turkeys widened after June 1956. Although margins increased in both cities, the increase was more in Baltimore than in New York. Gross margins on small turkeys in the two cities averaged almost 2 cents per pound more during the period July through October 1956 than for the same period in 1955.

Average farm-retail margins and the component farm-to-store and retail margins were all wider in Baltimore than in New York for the 12 months ended June 1956 (table 9). The differences in margins between the two cities are partially explained by the larger retail-store margins in Baltimore. 4/ During the same period, the farm share of the consumer dollar spent on small turkeys was larger for New York than for Baltimore.

Because of the highly seasonal nature of marketings of medium and large turkeys, adequate samples of price information could not be secured for several months in any of the nine cities. Attempts now being made to improve data collection procedures may in the future provide the data needed for analyses of marketing margins on small, medium, and large turkeys for other cities.

Eggs

Large Grade A egg prices (which are, historically, relatively low in price in the late winter and spring, and relatively high in the fall and early winter months) declined at all market levels from January until June 1956, after which they began increasing (fig. 5). Medium Grade A egg prices have declined almost continuously since January 1956, especially at the farm level (fig. 6). From July through November 1956, average prices for both large and medium Grade A eggs at all market levels were below similar prices in the corresponding 1955 period.

The lower 1956 prices of eggs were associated with small increases in egg production. In the first 11 months of 1956 egg production in the United States was about 2 percent larger than in the like 1955 period. However, in the July-November periods, egg production in 1956 was up about 4 percent from the same period in 1955.

4/ Comparisons of component marketing margins for turkeys from three major production areas appear in "Marketing Margins for Turkeys," by Earl H. Rinear, The Marketing and Transportation Situation, MTS-121, pp. 36-39, Apr. 1956.

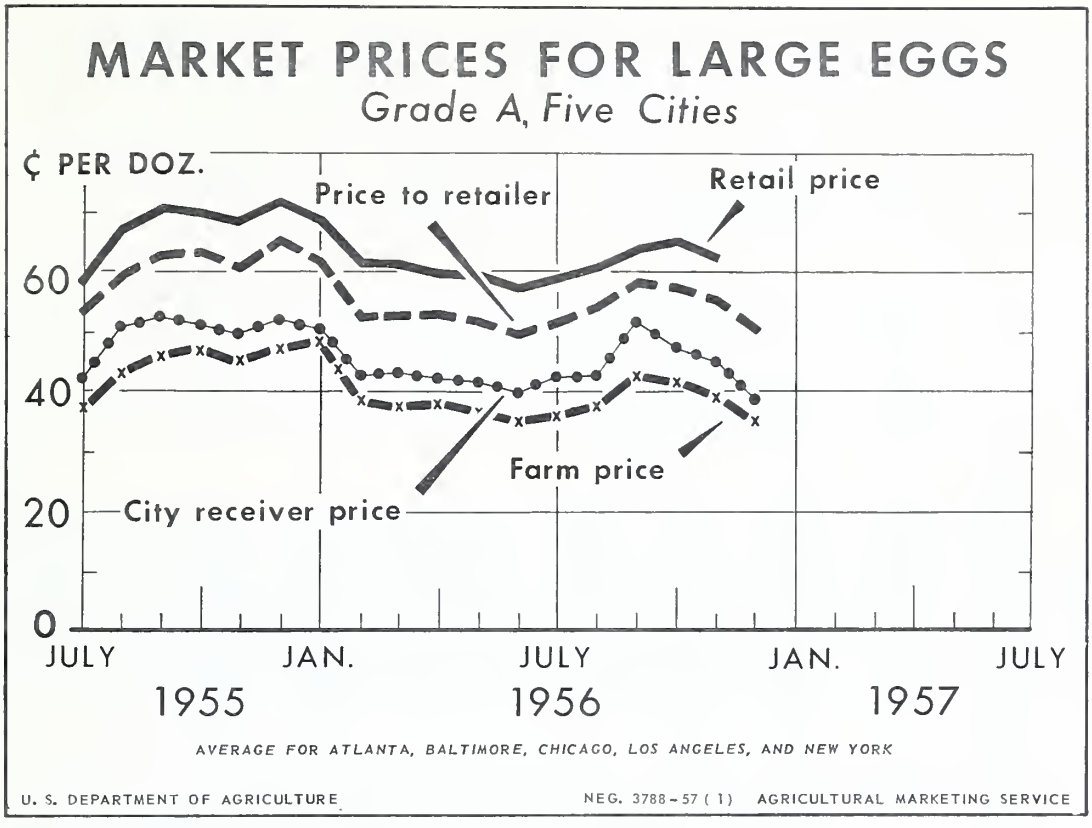

Figure 5

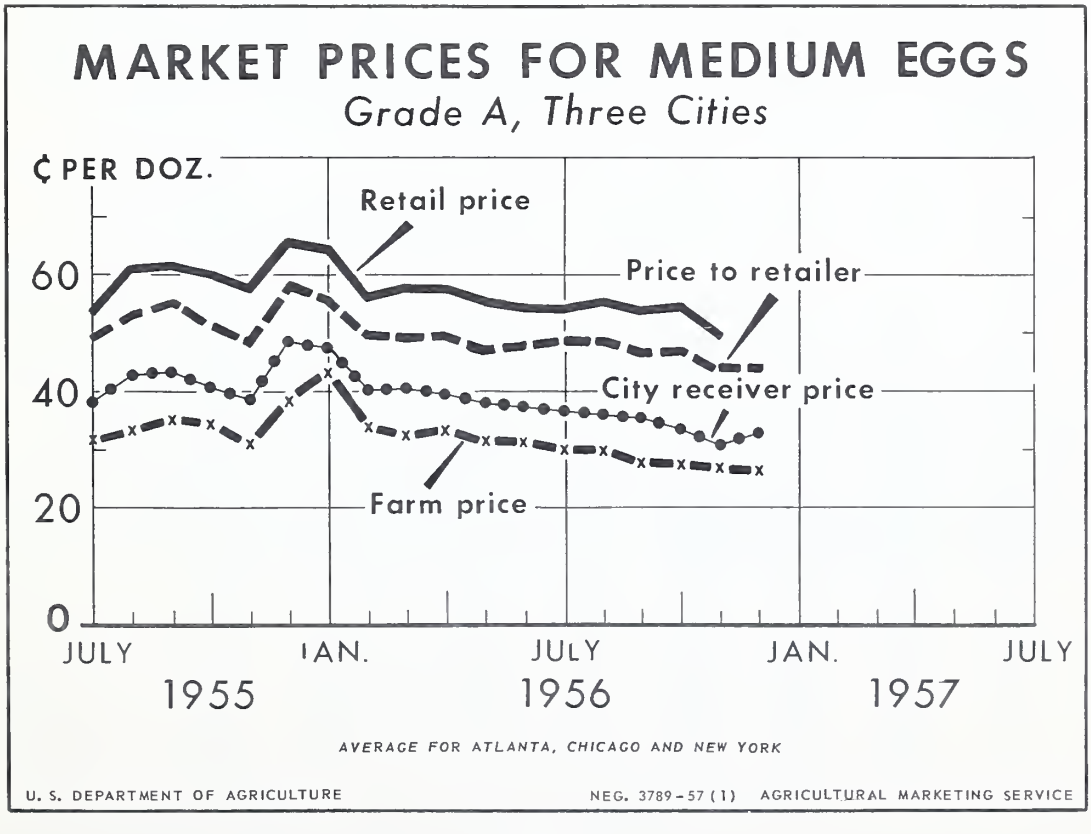

Figure 6

In the three cities -- New York, Chicago, and Atlanta -- for which data are available, retail and farm prices and farm-retail marketing margins have fluctuated considerably from month to month since July 1955. But average levels of margins changed negligibly from the last half of 1955 to the like period in 1956. The month-to-month variations in prices and margins on Grade A large and medium eggs shown in tables 10 and 11 are largely the result of seasonal factors affecting supplies and average quality and size of eggs and of short-time lags in price adjustments at the farm and retail market levels. In addition, the three cities experienced diverse changes in farm-retail price margins from the second half of 1955 to the second half of 1956. Thus, while average margins on large eggs increased in New York and Atlanta by 0.8 cent per dozen, they decreased 0.5 cent per dozen in Chicago. Average margins on medium eggs decreased both in Chicago by 1.5 cents per dozen and in New York by 0.6 cent per dozen, but increased in Atlanta by 1.5 cents per dozen.

Although egg marketing margins vary from month to month, these fluctuations are not as great as the monthly changes in prices. Prices at all market levels tend to move in the same direction. The amounts by which these prices change also frequently are equal and rarely are highly unequal. Margins on large eggs have varied somewhat less from month to month since July 1955 in the three cities than have margins on medium eggs. This may be associated with the more highly seasonal variability in supplies of medium eggs.

Changes in farm and retail price relationships appear to be greater when measured in terms of farm share of the retail price than when measured in cents per dozen because of the relative stability of individual marketing costs compared with variable price levels. For example, farm-retail margins on large Grade A eggs in January and February 1956 averaged 20.3 and 23.1 cents per dozen, respectively, a difference of 2.8 cents. Expressing the same price relationships involved in these gross margins as the farm share of the retail price, the percentages are 70.5 and 62.4, respectively, a difference of 8.1 percentage points.

Picture for a moment figure 5 superimposed on figure 6. Prices of medium eggs during the late summer and early autumn of 1955 and 1956, the flush season for small eggs, were influenced more than those of large eggs by severe competitive buying, especially at farm and "price-to-retailer" levels. As large eggs became more numerous in November and December 1955 and small egg supplies dwindled, medium egg prices strengthened. The spread between prices of large and medium eggs then narrowed, and remained relatively stable throughout the late winter and spring months. Simultaneous movements in the prices of both sizes of eggs continued until about July 1956. Government purchases of medium eggs, beginning in the late summer of 1956, were designed to help stabilize egg prices, especially during the fall months.

Table 10.- Eggs, large Grade A white: Retail price, farm price, and marketing margin, per dozen, New York, Chicago, and Atlanta, by months, July 1955-December 1956

Year and month	New York			Chicago			Atlanta		
	Retail price	Farm price 1/	Marketing margin	Retail price	Farm price 1/	Marketing margin	Retail price	Farm price 1/	Marketing margin
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1955									
July	65.6	46.8	18.8	54.0	31.5	22.5	56.9	41.0	15.9
Aug.	79.4	60.1	19.3	62.7	35.0	27.7	64.2	43.5	20.7
Sept.	80.0	56.5	23.5	67.8	38.5	29.3	68.2	50.0	18.2
Oct.	76.9	53.9	23.0	65.6	40.5	25.1	66.8	48.5	18.3
Nov.	75.2	52.5	22.7	65.5	38.5	27.0	68.0	48.0	20.0
Dec.	76.6	54.4	22.2	67.3	41.5	25.8	73.8	51.0	22.8
1956									
Jan.	74.5	53.4	21.1	64.5	41.0	23.5	68.1	52.0	16.1
Feb.	65.4	41.9	23.5	58.1	31.5	26.6	59.2	40.5	18.7
Mar.	66.8	42.0	24.8	57.8	31.0	26.8	59.5	38.2	21.3
Apr.	65.5	43.4	22.1	57.1	33.0	24.1	58.1	38.5	19.6
May	64.4	41.0	23.4	57.6	32.0	25.6	58.7	38.0	20.7
June	63.1	39.2	23.9	55.7	30.5	25.2	57.3	37.5	19.8
July	66.2	42.6	23.6	56.6	31.0	25.6	58.8	39.0	19.8
Aug.	68.0	45.5	22.5	57.5	31.0	26.5	60.2	42.5	17.7
Sept.	73.8	54.8	19.0	60.2	36.0	24.2	61.9	45.0	16.9
Oct.	71.3	48.2	23.1	62.5	36.0	26.5	63.7	43.0	20.7
Nov.	68.1	44.6	23.5	57.5	33.5	24.0	63.9	41.5	22.4
Dec. 2/	64.3	41.8	22.5	53.9	26.5	27.4	60.3	37.5	22.8

1/ Price paid to farmers in New Jersey for eggs marketed in New York, in Iowa for those marketed in Chicago, and in Georgia for those in Atlanta.
2/ Preliminary.

Table 11.- Eggs, medium Grade A white: Retail price, farm price, and marketing margin, per dozen, New York, Chicago, and Atlanta, by months, July 1955-December 1956

Year and month	New York			Chicago			Atlanta		
	Retail price	Farm price 1/	Marketing margin	Retail price	Farm price 1/	Marketing margin	Retail price	Farm price 1/	Marketing margin
	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents	Cents
1955									
July	58.0	40.6	17.4	48.6	26.5	22.1	54.2	36.0	18.2
Aug.	68.6	47.8	20.8	54.2	25.5	28.7	60.1	39.0	21.1
Sept.	65.0	40.9	24.1	57.2	30.0	27.2	62.1	41.5	20.6
Oct.	62.8	40.9	21.9	55.6	30.5	25.1	62.4	38.5	23.9
Nov.	61.1	36.6	24.5	52.3	25.5	26.8	59.2	36.0	23.2
Dec.	67.3	47.8	19.5	59.4	33.0	26.4	68.7	43.0	25.7
1956									
Jan.	66.9	48.4	18.5	59.1	38.0	21.1	66.3	48.0	18.3
Feb.	59.5	39.4	20.1	51.9	28.5	23.4	55.9	38.0	17.9
Mar.	61.2	39.4	21.8	52.3	29.0	23.3	58.4	35.2	23.2
Apr.	61.5	41.5	20.0	52.4	30.5	21.9	58.0	35.0	23.0
May	57.8	35.4	22.4	52.6	28.5	24.1	55.5	34.0	21.5
June	56.8	36.4	20.4	50.3	27.5	22.8	55.9	33.5	22.4
July	56.6	36.9	19.7	49.2	25.5	23.7	55.8	32.0	23.8
Aug.	57.2	35.4	21.8	51.6	26.0	25.6	56.6	34.0	22.6
Sept.	54.0	32.5	21.5	49.2	23.5	25.7	57.6	31.5	26.1
Oct.	54.6	32.3	22.3	49.4	22.5	26.9	58.7	31.5	27.2
Nov.	52.0	30.6	21.4	44.6	22.0	22.6	50.6	31.5	19.1
Dec. 2/	52.0	34.2	17.8	43.8	20.5	23.3	54.6	32.0	22.6

1/ Price paid to farmers in New Jersey for eggs marketed in New York, in Iowa for those marketed in Chicago, and in Georgia for those in Atlanta.
2/ Preliminary.

Average farm-retail margins for the 12 months ended June 1956 were wider on large than on medium eggs in both New York and Chicago (table 12). New York had the highest and Los Angeles had the lowest gross margins on large eggs of the five cities studied. Incomplete information on egg prices for San Francisco indicate that farm-retail margins for that city were slightly higher than those for Los Angeles but below those in other cities for which data are available. This position of the two Pacific Coast cities was in sharp contrast to their relative standing among the six cities on margins for frying chickens.

Average retail margins generally comprised about one-third of the total farm-retail margins on both large and medium eggs for the 12 months ended June 1956. Chicago had a wider retail margin on large than on medium eggs whereas in Atlanta the reverse was true. Retail margins in New York and averages of retail margins in the three cities, Atlanta, Chicago, and New York, were about the same for both large and medium eggs.

Farm-to-store margins did not vary much between large and medium eggs within cities. However, there was considerable variation in the farm-to-store margins between cities. The farm-to-store margin on large eggs in Los Angeles was by far the lowest of the five cities. 5/

Glossary of Terms

(1) Farm value - Payment received by producers for quantity of live poultry equivalent to 1 pound ready-to-cook poultry. Computed farm values are based on prices at farms in the major producing areas supplying the bulk of a given commodity to the various city market areas. For example, farm prices of frying chickens for Los Angeles are weighted average prices paid to producers in commercial broiler areas of Arkansas, northern Alabama, northern Georgia and Texas, whereas those for San Francisco are prices paid producers in the San Joaquin Valley of California. These prices have been adjusted so that the value of the commodity at the farm is on an equivalent weight basis with the value of the commodity being priced at other levels.

(2) City receiver price includes f.o.b. delivered city prices and wholesale selling prices. Although, technically, there should be a difference in prices reported at these levels, prices reported often overlap. Trade practices and the resulting pricing mechanisms make it difficult to achieve a satisfactory differentiation of these price levels. The average f.o.b. delivered city price includes prices paid to processors by chain stores that bypass city wholesalers. Wholesale selling prices include prices to jobbers, between wholesale dealers, and to others who may buy in wholesale lots.

5/ For a more detailed analysis of components involved in the farm-retail margin, see "Marketing Margins for Poultry and Eggs," by Robert M. Conlogue and Norris T. Pritchard, The Marketing and Transportation Situation, MTS-116, pp. 18-27, Jan. 1955.

Table 12.- Eggs, large and medium: Average market prices per dozen, marketing margins, and the farm share of the retail price, selected cities, July 1955-June 1956

Commodity and city	At farm price	City receiver price 1/	Price to retailers	Retail price
	Cents	Cents	Cents	Cents
Large eggs				
Atlanta	44.0	46.5	56.8	63.2
Baltimore	43.6	48.4	60.8	67.8
Chicago	35.4	43.2	55.2	61.1
Los Angeles	44.2	---	51.3	59.4
New York	41.6	48.4	61.4	71.1
Average	41.8	46.6	57.1	64.5
Medium eggs				
Atlanta	38.0	40.9	50.7	59.7
Chicago	29.5	39.6	49.9	53.8
New York	34.9	43.2	52.8	62.2
Average	34.1	41.2	51.1	58.6

Commodity and city	Farm-to-store margin	Retail margin	Farm-retail margin	Farm share of retail price
				Percent
Large eggs				
Atlanta	12.8	6.4	19.2	70
Baltimore	17.2	7.0	24.2	64
Chicago	19.8	5.9	25.7	58
Los Angeles	7.1	8.1	15.2	74
New York	19.8	9.7	29.5	59
Average	15.3	7.4	22.7	65
Medium eggs				
Atlanta	12.7	9.0	21.7	64
Chicago	20.4	3.9	24.3	55
New York	17.9	9.4	27.3	56
Average	17.0	7.5	24.5	58

1/ City receiver price for Atlanta and Baltimore is f.o.b delivered city price, for Chicago and New York wholesale selling price.

(3) Price to retailers - Prices paid by or offered on a door-delivery basis to retailers, hotels, restaurants, and others who buy in smaller than wholesale quantities. This price includes door deliveries to individual chain stores, but it does not include prices paid by chain stores for deliveries to their warehouses.

(4) Retail price - Prices to consumers in retail stores.

(5) Farm-to-store margin is the difference between the price to retailers and the farm value.

(6) Retail margin is the difference between the retail price and the price to retailers.

(7) Farm-retail margin is the difference between the retail price to consumers and the farm value.